

CONSOLIDATED INSURANCE TRUST
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2004

	July-04				Current FYTD		Prior Year FY04		3 Years Ended	5 Years Ended	
	Market Value	Allocation		Returns-Month		Returns		Returns		6/30/2004 Net	6/30/2004 Net
		Actual	Policy(1)	Gross	Net	Gross	Net	Gross	Net		
LARGE CAP DOMESTIC EQUITY											
<i>Structured Growth</i>											
Los Angeles Capital	17,888,702	1.6%	1.6%	-5.02%	-5.03%	-5.02%	-5.03%	N/A	N/A	N/A	N/A
Total Structured Growth	17,888,702	1.6%	1.6%	-5.02%	-5.03%	-5.02%	-5.03%	17.84%	17.58%	-6.28%	-7.85%
<i>Russell 1000 Growth</i>											
Russell 1000 Value				-5.65%	-5.65%	-5.65%	-5.65%	17.88%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>											
LSV	18,832,559	1.7%	1.6%	-1.18%	-1.21%	-1.18%	-1.21%	30.96%	30.56%	9.33%	8.36%
Russell 1000 Value				-1.41%	-1.41%	-1.41%	-1.41%	21.13%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>											
Los Angeles Capital	37,733,646	3.3%	3.3%	-3.54%	-3.56%	-3.54%	-3.56%	N/A	N/A	N/A	N/A
Russell 1000				-3.51%	-3.51%	-3.51%	-3.51%	N/A	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>											
Westridge	36,813,643	3.3%	3.3%	-3.28%	-3.30%	-3.28%	-3.30%	N/A	N/A	N/A	N/A
S&P 500				-3.31%	-3.31%	-3.31%	-3.31%	N/A	N/A	N/A	N/A
<i>Index</i>											
State Street	11,084,091			-3.32%	-3.32%	-3.32%	-3.32%	19.07%	19.01%	-0.75%	-2.28%
Total Index	11,084,091	1.0%	1.1%	-3.32%	-3.32%	-3.32%	-3.32%	19.07%	19.01%	-0.75%	-2.28%
S&P 500				-3.31%	-3.31%	-3.31%	-3.31%	19.11%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	122,352,641	10.8%	10.8%	-3.31%	-3.33%	-3.31%	-3.33%	21.63%	21.46%	0.15%	-1.39%
S&P 500				-3.31%	-3.31%	-3.31%	-3.31%	19.11%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY											
<i>Manager-of-Managers</i>											
SEI	57,885,664	5.1%	5.4%	-7.23%	-7.28%	-7.23%	-7.28%	33.80%	32.99%	5.51%	N/A
Russell 2000 + 200bp				-6.57%	-6.57%	-6.57%	-6.57%	35.99%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	57,885,664	5.1%	5.4%	-7.23%	-7.28%	-7.23%	-7.28%	33.80%	32.99%	5.54%	7.29%
Russell 2000				-6.73%	-6.73%	-6.73%	-6.73%	33.36%	33.36%	6.24%	6.63%
CONVERTIBLES											
<i>TCW</i>											
First Boston Convertible Index	66,877,858	5.9%	6.1%	-5.02%	-5.05%	-5.02%	-5.05%	17.91%	17.50%	1.03%	3.90%
				-2.18%	-2.18%	-2.18%	-2.18%	14.16%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY											
<i>Large Cap - Active</i>											
Capital Guardian	44,424,289	3.9%	4.1%	-3.44%	-3.48%	-3.44%	-3.48%	25.89%	25.36%	-0.39%	0.54%
MSCI EAFE - 50% Hedged				-2.80%	-2.80%	-2.80%	-2.80%	26.98%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>											
Lazard	6,186,032	0.5%	0.5%	-2.94%	-3.00%	-2.94%	-3.00%	44.23%	43.30%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-4.20%	-4.20%	-4.20%	-4.20%	47.95%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>											
Vanguard	5,881,071	0.5%	0.5%	-7.63%	-7.69%	-7.63%	-7.69%	45.72%	44.68%	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-4.20%	-4.20%	-4.20%	-4.20%	47.95%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	56,491,392	5.0%	5.1%	-3.82%	-3.86%	-3.82%	-3.86%	29.78%	29.16%	1.02%	1.39%
MSCI EAFE - 50% Hedged				-2.80%	-2.80%	-2.80%	-2.80%	26.98%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME											
<i>Core Bond</i>											
Western Asset	184,842,663	16.3%	14.6%	1.26%	1.24%	1.26%	1.24%	2.61%	2.42%	7.77%	8.10%
Lehman Aggregate				0.99%	0.99%	0.99%	0.99%	0.32%	0.32%	6.35%	6.95%
<i>Index</i>											
Bank of ND	238,602,133	21.1%	20.9%	0.77%	0.77%	0.77%	0.77%	0.13%	0.07%	7.10%	7.25%
Bank of ND CD'S	11,342,866	1.0%	1.0%	0.30%	0.30%	0.30%	0.30%	3.53%	3.53%	4.06%	4.76%
Total Index	249,944,999	22.1%	21.9%	0.75%	0.74%	0.75%	0.74%	0.34%	0.28%	6.76%	7.03%
Lehman Intermediate Gov/Credit (2)				0.84%	0.84%	0.84%	0.84%	-0.05%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>											
Strong	102,719,075	9.1%	7.3%	1.39%	1.37%	1.39%	1.37%	1.43%	1.18%	N/A	N/A
Lehman US Credit BAA				1.40%	1.40%	1.40%	1.40%	1.96%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	537,506,737	47.5%	43.7%	1.05%	1.03%	1.05%	1.03%	1.94%	1.77%	7.58%	7.77%
Lehman Gov/Credit				1.06%	1.06%	1.06%	1.06%	-0.72%	-0.72%	6.73%	7.10%
TREASURY INFLATION PROTECTED SECURITIES (TIPS)											
Northern Trust Global Investments	121,759,015	10.8%	10.5%	0.80%	0.80%	0.80%	0.80%	N/A	N/A	N/A	N/A
Western	122,687,928	10.8%	10.5%	1.03%	1.03%	1.03%	1.03%	N/A	N/A	N/A	N/A
TOTAL TIPS	244,446,943	21.6%	21.0%	0.92%	0.91%	0.92%	0.91%	N/A	N/A	N/A	N/A
LB US TIPS Index				1.33%	1.33%	1.33%	1.33%	N/A	N/A	N/A	N/A
REAL ESTATE											
<i>Manager To Be Determined</i>											
NCREIF Total Index	-	0.0%	5.7%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
				1.03%	1.03%	1.03%	1.03%	N/A	N/A	N/A	N/A
CASH EQUIVALENTS											
<i>Bank of ND</i>											
90 Day T-Bill	46,763,610	4.1%	2.1%	0.13%	0.13%	0.13%	0.13%	1.20%	1.20%	1.72%	3.39%
				0.12%	0.12%	0.12%	0.12%	0.98%	0.98%	1.71%	3.30%
TOTAL INSURANCE TRUST	1,132,324,846	100.0%	100.0%	-0.53%	-0.55%	-0.53%	-0.55%	9.49%	9.25%	5.25%	5.77%
<i>POLICY TARGET BENCHMARK</i>											
				-0.19%	-0.19%	-0.19%	-0.19%	7.17%	7.17%	5.15%	5.32%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Because each fund within the Insurance Trust has a different policy allocation, the consolidated report reflects a weighted average of all of the funds' policy

(2) Prior to April 1, 2004, the benchmark was the LB Gov/Credit Index.